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UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

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PHILLIPS-VAN HEUSEN CORPORATION,	:	
	:	Case No. 07 Civ 8169 (AKH)
Plaintiff,	:	
	:	
-against-	:	<b>PLAINTIFF'S RULE 26(a)</b>
	:	<b>DISCLOSURES</b>
	:	
	:	
INTERNATIONAL HOME TEXTILES, INC.	:	
and SALO GROSFELD,	:	
	:	
Defendants.	:	
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Pursuant to Rule 26(a) of the Federal Rules of Civil Procedure, Plaintiff, to the best of its knowledge, and based on information at this junction, discloses the following:

**I. PERSONS MOST LIKELY TO HAVE RELEVANT INFORMATION**

**Name, Address and Telephone Number (if available)**

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## **II. DOCUMENTS**

License Agreement between PVH and IHT, dated 1/1/2006, and any and all prior License Agreements between PVH and IHT  
Documents disclosing and reflecting discussions and/or negotiations among and/or between Grosfeld, IHT and/or PVH relating to or otherwise concerning the License Agreement dated 1/1/2006  
Invoices from PVH to defendants relating to the License Agreement dated 1/1/2006  
Documents disclosing or otherwise relating to Percentage Royalty payments, and Minimum Guaranteed Royalties, including sums owed, due, and/or paid  
Documents disclosing or otherwise relating to Advertising and Marketing Obligations, including sums owed, due, and/or paid  
Documents disclosing and relating to defendants' Minimum Sales Requirements  
Documents disclosing and relating to defendants' reporting obligations and their compliance therewith, including Royalty Statements, Licensing Forecasts, Marketing Expenditure Statements, insurance compliance statements, third-party manufacturing agreements, and Marketing Plans  
Documents disclosing and relating to payments received by PVH from defendants  
Documents disclosing and relating to limitations or restrictions on defendants' rights pursuant to the License Agreement, including those that relate to Seconds/Close Out limitations, deduction limits, J.C. Penny sales limitation, and PVH's right to immediately terminate (and ultimate

termination)

Documents disclosing and relating to defendants' efforts to exploit the License Agreement, including whether such efforts were commercially reasonable

Documents disclosing and relating to demands for payment from PVH to defendants, and responses thereto, relating to the License Agreement dated 1/1/2006

Communications between the parties, including correspondence and e-mails relating to the License Agreement dated 1/1/2006

Documents disclosing or relating to PVH's right and/or ability to inspect IHT's books and records and whether such inspections occurred

These documents are located in PVH's computer server and in PVH's New York, NY and Bridgewater, NJ offices.

### **III. COMPUTATION OF DAMAGES**

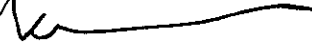
Defendants owe plaintiff at least (i) the sum of at least \$626,103.00 representing Liquidated Damages for IHT's Percentage Royalty Payments and Minimum Guaranteed Royalties for the remainder of the term of the Agreement, and \$1,067,933.00 representing sums due and owing by reason of IHT's various breaches and violations of the License Agreement, which include at least; (ii) the sum of \$151,691.00 representing unpaid Advertising Obligations; (iii) the sum \$573,897.00 representing unpaid Minimum Guaranteed Royalties; (iv) the sum of \$266,570.00 representing unpaid Marketing Obligations; (v) the sum of \$43,111.00 in additional royalties for certain close outs and seconds sold in excess of those permitted under the License Agreement; (vi) the sum of \$29,564.00 representing unpaid Percentage Royalty payments; (vii) the sum of \$3,100.00 representing deductions taken in violation of the License Agreement; (viii) any unknown sums that are to be determined, including damages resulting from defendants' failure to exploit the License Agreement in a commercially reasonable manner; (ix) any sums in excess of the minimum guaranteed fees that will be disclosed to be due in the course of discovery and/or in the course of audit and review of defendants' books and records, particularly for the first Annual Period and for the first quarter of the second Annual Period as defined pursuant to the License Agreement; and (x) interest, costs and any other sum that the court may deem just and proper.

### **IV. INSURANCE AGREEMENT**

None.

Dated: New York, New York  
January 8, 2007

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By:   
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